

Applicants filed appeal brief in response to the final rejection previously issued by the PTO in this case. Examiner failed to file an answer to said appeal in a timely manner and, instead, issued the above-identified office action citing new grounds of rejection. Accordingly it is presumed that the previous grounds of rejection are withdrawn by the PTO.

Further, Applicants believe that failure to respond in a timely manner to the appeal brief as well as reopening this prosecution after a significant delay, unduly and unfairly delays this matter. Consequently, Applicants respectfully request that upon the review of this response and in the event that all the claims are not allowed, Examiner or Supervisory Examiner schedule an interview with Applicants.

As required in the Office Action, the corrected FORMAL DRAWINGS ARE ENCLOSED HEREITH.

Claim 11 has been rejected under 35 USC sections 101 as non-statutory subject matter. Examiner cites very old and not presidential decisions to support this rejection.

The case law currently governing patentability under section 101 is discussed in "MPEP 2106 Patentable Subject Matter - Computer-Related Inventions." It analyzes current law applicable to the claim at issue, as expressed in the modern Federal Circuit cases such as *State Street Bank & Trust Co. v.*

Signature Financial Group Inc., 149 F.3d 1368, 47 USPQ2d 1596 (Fed. Cir. 1998). and *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 50

USPQ2d 1447 (Fed. Cir. 1999). Under these cases (believed to be available to the Examiner) and other current law cited by MPEP, Applicants are convinced that the Examiner will agree that claim 11 is directed to statutory subject matter.

Based on the analysis in MPEP 2106, clearly, claim 11 is statutory subject matter. For example MPEP 2106 II A states, in part, that for subject matter patentability “[t]he claimed invention as a whole must accomplish a practical application. That is, it must produce a ‘useful, concrete and tangible result.’ *State Street*, 149 F.3d at 1373, 47 USPQ2d at 1601-02. The purpose of this requirement is to limit patent protection to inventions that possess a certain level of ‘real world’ value, as opposed to subject matter that represents nothing more than an idea or concept, or is simply a starting point for future investigation or research ... “ Claim 11 expressly recites a “computer-implemented method,” that includes a sequence of well-defined, practical steps that lead to “determining if the transmitted first and second contracts are compatible.” The claimed method unambiguously has “real world” value, and it is NOT simply “an idea or concept, or is simply a starting point for future investigation or research.”

Further, the specification is clear that the claimed method leading to “determining if the transmitted first and second contracts are compatible” is a concrete, practical application. As noted in the above-mentioned section of the MPEP : “Office personnel should therefore focus their efforts on pointing

out statements made in the specification that identify all practical applications for the invention. Office personnel should rely on such statements throughout the examination when assessing the invention for compliance with all statutory criteria. An applicant may assert more than one practical application, but only one is necessary to satisfy the utility requirement. Office personnel should review the entire disclosure to determine the features necessary to accomplish at least one asserted practical application.” MPEP 2106 II A. In this regard, see, e.g., Fig. 11, which illustrates the preferred processing for closing a deal between a buyer and seller who require verification of agreement, and related discussion in the specification.

Moreover, Applicants do not understand why the issue even came up since the claims expressly recite electronic steps in a computer-implemented invention. Such inventions are a conventional patentable subject matter. Examiner reads the express language of the claim out of the claim and asserts that the claimed method can be accomplished by hand without the claimed steps. Although under the current law even business methods that include manual steps are patentable (see cases cited above), Applicants believe that the claims as written are at issue. The fact that the claims can be modified, as explained in the Office Action, is irrelevant. The claims at issue recite electronic computer technology, which is unambiguously patentable. Section II C of MPEP 2106 specifically prohibits misreading the claims (e.g., by assuming non-claimed subject matter) in the 101 analysis, by stating the

following: “The claims define the property rights provided by a patent, and thus require careful scrutiny. The goal of claim analysis is to identify the boundaries of the protection sought by the applicant and to understand how the claims relate to and define what the applicant has indicated is the invention. Office personnel must first determine the scope of a claim by thoroughly analyzing the language of the claim before determining if the claim complies with each statutory requirement for patentability. See *In re Hiniker Co.*, 150 F.3d 1362, 1369, 47 USPQ2d 1523, 1529 (Fed. Cir. 1998) (“[T]he name of the game is the claim.”).

In view of the above explanation, claim 11 is statutory subject matter under section 101.

Claims 12 and 32 have been rejected under 35 USC 102 (b) as anticipated by US Patent number 5,210,853. These claims include the steps / elements with limitations of “electronically indexing using at least one index value into a compatibility dictionary; and electronically extracting a compatibility designation based on the at least one index value.” The term “computability dictionary” should be understood in view of the specification. See, e.g., MPEP 2106 II C: “Office personnel must rely on the applicant's disclosure to properly determine the meaning of ** the claims. *Markman v. Westview Instruments*, 52 F.3d 967, 980, 34 USPQ2d 1321, 1330 (Fed. Cir.) (*en banc*), *aff'd*, U.S. , 116 S. Ct. 1384 (1996).” As apparent from the specification, the compatibility dictionary is unique and differs from other

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look-up techniques in that it stores pairs of terms that are semantically compatible in a transaction sense. Traditional "dictionaries" store collections of synonyms and/or antonyms. Essentially they are thesauruses. The compatibility dictionary, on the other hand, contains pairs of transactionally compatible terms such as "buy/sell," "lend/borrow," "trade/trade," and "luxurious hotel/five-star-hotel." For example, in the commercial enterprise, the pair "buy" and "sell" may be present in the associated compatible dictionary since buying and selling are complementary actions. Similarly, "purchase" and "sell" may also be present as a pair. But "purchase" and "lease" should not be stored as a pair, since a buyer wishing to "purchase" cannot strike a deal with a party willing only to "lease."

The '853 patent describes memory management organization in a traditional dictionary. The dictionary of the '853 patent is a conventional dictionary that provides translation terms and phonetic symbols of the indexed word. Nothing therein provides a 'compatibility dictionary,' as this term clearly described in the specification, or "extracting a compatibility designation based on the at least one index value." Accordingly claims 12 and 32 are not anticipated and patentable.

Claims 11 and 31 have been rejected under 35 U.S.C. 102(b) as anticipated by US Patent 5,749,785 ('785 Patent). The Office Action merely summarizes the claim and without any analysis states that it can be found in the above patent. Without attempting to identify specific citations asserted to

anticipate the corresponding claim elements, the Examiner merely lists several portions of the '785 patent in support. The text cited by the Examiner is provided in relevant part below. A review of the relevant text of Examiner's citations shows that they do not provide any grounds to reject the claim.

The abstract of the '785 patent relates to "[a] computer system that allows people to place, accept and settle bets for the purpose of communicating." It describes that the patented system cuts out a middleman and allows for settlement of disputes and to change bets and "to link bets to ordinary statements that are also entered into the system."

Col 6 lines 30-62 define the terms such as "A bet is an agreement entered into by two or more parties. ... A bet statement is a statement that is designed to be found true or false. ... (A bet statement will often be fairly lengthy because it can include explicit definitions for deciding how to determine if the statement is true or false) ... A bet has two sides, True and False. One party takes (bets on) True and the other takes (bets on) False. If the bet statement is found to be true then the party that bet on True wins. If the statement is found to be false then the party that bet on False wins. ... In a bet each party puts an amount of something at risk. The amounts are called the stakes. The party that loses agrees to pay his/her stake to the party that wins. ... "

Col 8 lines 25-45 describes that : “ The CSUB is a computer system-- including input/output means, memory means, processing means, and a program--that enables users to place, find, accept, change, settle, and record bets. The system is a network of terminals connected to a central data-base unit. ... Users enter data and requests through the terminals and receive responses from the central data-base unit. ... the CSUB program includes steps for allowing users to select from several requests. ... It includes the following request options ... : user account 1, searching 2, placing a bet 3, accepting a bet 4, changing a bet 5, and settling a bet 6. ... “

Column 9, lines 51-67 state : “The CSUB is both a transaction processing system that enables users to execute bets and a data-base system that enables users to record and see bets. As a data-base system, it naturally includes search functions. In FIG. 3 we see that users can search both bets and supported statements.

... Having two classes of users, those with accounts and those without, lets a larger community use the CSUB as a data-base. We assume the system allows users to search without entering a PIN.

... a user might find a bet while searching and then enter a request to do a transaction. The user would then enter his PIN and execute the transaction on the bet. ...“

Column 33, lines 16-25 state: “One important thing to realize, as we give a slightly different perspective on the process of striking a bet, is that

there need to be two offers to strike a bet, one offer from each opponent. The offers may match exactly, except for the sides, or they may not. Even though there seems to be one ultimate offer that both parties agree on, actually each party is making that offer. So, if one party backs out, the other party's offer is still on the table. Anyway, the point is that there are two offers that are struck when "a" bet agreement is struck."

Column 34, lines 30-38 state: "The following discussion includes market options whereby a user does not necessarily identify a single offer but instead identifies (responds to) a given bet statement by making an offer about that bet statement. The user's offer is then possibly matched (struck) with another offer about that same bet statement. We still omit the step of identifying the bet statement, taking it to be understood. We point out though where a user is making an offer that is not necessarily a response to an existing offer. "

It is evident from the review of the cited portions of the '785 patent, that they do not anticipate or suggest the subject claim steps / elements. While the cited art relates to computer technology that enables transactions between the users that may be characterized as agreements, this is not sufficient to anticipate the specifically-stated steps / elements of the claims at issue. In fact, none of the recited steps are found or suggested. The cited art does not have a feature of "electronically providing to a first user to obtain a deal identifier." Certainly the PIN mentioned in Column 9, lines 51-67 is a

conventional 'PIN' for a user to enter his/her account and it has nothing to do with an identifier for a deal as recited in the claim. Although the citation at Col 6 lines 30-62 includes a statement that "[a] bet is an agreement entered into by two or more parties...", it does not include: "receiving from the first user a first electronic contract and the deal identifier." For the same reasons, nothing in the cited art teaches or suggests "electronically providing a second user with the deal identifier" and "receiving from the second user a second electronic contract and the deal identifier."

Further, the step of "determining if the transmitted first and second contracts are compatible" is also not found. Column 33, lines 16-25 implies that there is a need for matching a bet offer and a response to it; and Column 34, lines 30-38 describe the capability of: "The user's offer is then possibly matched (struck) with another offer about that same bet statement." This does not imply the determining compatibility of two contracts, but simply appears to relate to matching two responses to a given bet offer. Only one bet statement is disclosed, without a suggestion of determining a compatibility of two contracts.

Accordingly, for the above reasons, claims 11 and 31 are not anticipated and patentable.

Independent claims 1 and 23 have been rejected under 35 U.S.C 103(a) as being unpatentable over publication entitled "Intelligent Agents: A Primer" referred to by Examiner and herein as "Searcher" in view of Official Notice.

The steps of claim 1 are referred to in the following argument. The same arguments are applicable to the elements of claim 23.

For the first step of "storing at least one acquisition specification of a first user represented in a scripting language that specifies acquisition requirements," Examiner cites Searcher Page 15, lines 19-22, which describes that "E-commerce agents, which already exist, can compare prices and choose the best price according to your criteria," and Page 5, lines 22-42 discussing IF...THEN statements as "technolog[y] used to build intelligent agents." Even assuming, without admitting that in fact there is a suggesting here of "acquisition specification" and "scripting language," as asserted by the Examiner, this step is not suggested by Searcher. It is clear from Searcher and Examiner's argument that the IF...THEN statements are user in Searcher for building agents and NOT for specifying the user "criteria." Searcher, in fact, teaches away from using IF...THEN statements in the user "criteria," by emphasizing that this is a technique for the agents. Accordingly, even assuming that "acquisition specification" and "scripting language" are separately suggested by Searcher, it includes no suggestion at all of the "acquisition specification ... represented in a scripting language." In fact, as noted, Searcher teaches away from this limitation.

For the step of "parsing the acquisition specification into at least one purchase form comprising a plurality of attributes, at least one of which specifying a transactional action desired to be electronically completed by the

first user," Examiner cites two places in Searcher concerning agents that handle sales transactions and communicate with other agents. Examiner further asserts that parsing is inherent in this function by citing the Charles Petrier publication dated many years after the filing date of the present application. Petrier is understood to be cited for the proposition that the ACL language mentioned by Searcher requires parsing. Examiner then concludes that such parsing produces 'purchase form' because such a form is defined by Applicants as "data structure." This is erroneous since the specification merely states that the form is stored in a data structure. The form as claimed "comprising a plurality of attributes, at least one of which specifying a transactional action." Neither reference, including the Petrier publication, suggests that parsing would produce such a result recited in the claim. Thus, this step is not suggested by the cited art.

For the following step of "receiving over the Internet and storing offering specification comprising at least one vendor form comprising a plurality of attributes, at least one of which specifying a transactional action desired to be electronically completed by a second user," Examiner uses essentially the same reasoning as for the previous step. Notably the same error is made in the Office Action with regard to interpreting "vendor form" as merely any "data structure." The specification only states that the vendor form is stored in a data structure. The claim, on the other hand, recites "vendor form comprising a plurality of attributes, at least one of which specifying a

transactional action." This limitation is not addressed by Examiner and not suggested by the cited art.

Examiner admits that Searcher does not teach the last step. Examiner notes that agents in Searcher perform transactions and communicate. Office Action then cites the Griss publication to support the proposition that such communication requires certain vocabulary including a set of words and their relationship and meanings. But the claimed step is not suggested by the art. First, the transactional language of Searcher does not suggest the use of any dictionary to determine compatibility. Second, Griss, does not suggest any compatible terms in a compatibility dictionary. The 'compatibility dictionary' and its uniqueness are discussed in connection with Claims 12 and 32. Thus, this step is also not suggested by the art. Furthermore, absolutely nothing is mentioned in either reference regarding the recited "determining whether the transactional action in the purchase form is compatible with the transactional action in the vendor form."

Accordingly independent claims 1 and 23 as well as their dependent claims are not obvious and, thus, patentable.

Applicants respectfully request a timely notice of allowance be issued in this case.

Respectfully submitted,

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